

**LEGISLATIVE SERVICES AGENCY
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FISCAL IMPACT STATEMENT

LS 6639

BILL NUMBER: HB 1325

NOTE PREPARED: Apr 2, 2013

BILL AMENDED: Feb 12, 2013

SUBJECT: Mobile Support Unit Personnel for Disaster Relief.

FIRST AUTHOR: Rep. Frye R

FIRST SPONSOR: Sen. Wyss

BILL STATUS: As Passed Senate

FUNDS AFFECTED: X GENERAL
X DEDICATED
FEDERAL

IMPACT: State & Local

Summary of Legislation: *Temporary Employees & Worker's Compensation-* The bill provides that certain individuals serving as members of a mobile support unit are considered to be temporary employees of the state for purposes of worker's compensation law and worker's occupational diseases law.

State Reimbursement- The bill authorizes the state to reimburse a political subdivision for a backfill employee necessary for the political subdivision to fill the position and duty of an employee deployed to a mobile support unit, but only if and to the extent that the cost of the backfill employee represents an extra cost to the political subdivision.

State Disaster Relief Fund- The bill authorizes the use of money from the State Disaster Relief Fund for certain eligible entities that incur certain costs for the contribution of personnel to a mobile support unit.

Emergency Rules- The bill authorizes the Department of Homeland Security (DHS) to adopt certain emergency rules. The bill makes corresponding changes.

Effective Date: July 1, 2013.

Explanation of State Expenditures: *Temporary Employees & Worker's Compensation-* This provision would likely not significantly impact the state Worker's Compensation Board's (WCB) workload or the state as an employer. The WCB anticipates that any additional filings this provision might bring would be minimal and would likely be submitted electronically.

State Reimbursement- This provision would increase state reimbursement to include political subdivision backfill employees. Currently, the state can reimburse a political subdivision for compensation (including travel and subsistence), death, disability, or injury payments, and losses and damage of supplies and equipment while the employee served as a member of a mobile support unit. This provision would provide for compensation to a backfill employee replacing an employee deployed in a mobile support unit to an out-of-state emergency disaster area. Any increase in reimbursement that may result would depend on state action.

State Disaster Relief Fund- This provision would allow state compensation to reach units that use backfill employees to replace regular employees deployed with a mobile support unit to an in-state disaster area within a political subdivision outside of the sending political subdivision's jurisdiction. Any reimbursement increases from the State Disaster Relief Fund would depend on further state action.

Emergency Rules- The DHS would likely be able to adopt emergency rules within existing resources.

Background Information- The state via the Department of Homeland Security paid out approximately \$17,700 to political subdivisions for mobile support unit expenses in FY 2012 from the Emergency Management Contingency Fund. Total expenditures from the State Disaster Relief Fund for disaster assistance totaled \$897,597 during FY 2012.

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues: Political subdivisions may receive more compensation from the state if more backfill employees make additional claims for reimbursement as a result of the bill's provisions.

State Agencies Affected: Department of Homeland Security; State Worker's Compensation System.

Local Agencies Affected: Political subdivisions.

Information Sources: Mara Snyder, Director of Legal and Code Services, Department of Homeland Security; Darren Dye, Indiana Worker's Compensation Board; State Auditor data run for year end FY 2012, 2/12/2013.

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